AMENDMENTS TO CLAIMS

1. (Currently Amended) A method of delivering advertising and/or commercials to a user, viewer, or consumer via composite images displayed to the user, viewer, or consumer through a media display device, comprising the steps of:

displaying a program or other images; and

inserting, while said program or other images are being displayed, an advertisement into a selected portion of the displayed program or other images, said advertisement being displayed in a manner appropriate to the content of the displayed program or other images.

wherein said program is an interactive video program, said program having several possible paths, said paths being determined by responses by the user, viewer, or consumer to the program content, and wherein said advertisement is updated based on responses to said program or to a previously inserted advertisement content, said responses to said program content being submitted by the user, viewer, or consumer, via an interface device.

- 2. (Currently Amended) A method as claimed in claim 1, wherein said step of inserting said advertisement comprises the step of merging a simulated image into the program.
- 3. (Currently Amended) A method as claimed in claim 2, wherein said simulated image is merged using so-called "blue screen" technology.
- 4. (Original) A method as claimed in claim 3, wherein application of the blue screen technology involves adding blue coloring to portions of a real-life environment.
- 5. (Currently Amended) A method as claimed in claim-3_4, wherein said real-life environment is a sports venue, and said blue-painted coloring portions of the real-life environment are areas on which advertisements would normally be displayed, including areas selected from the group consisting of billboards, portions of a playing field, and surfaces of an airship, as well as portions

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of the sports venue on which advertisements may be displayed without detracting from viewing of a sporting event taking place at the venue.

- 6. (Currently Amended) A method as claimed in claim <u>3.4</u>, wherein said real-life environment is a setting of a musical event, and said advertisements are displayed on a background of a stage.
- 7. (Currently Amended) A method as claimed in claim 1, wherein said advertisements are advertisement is updated in real time.
- 8. (Currently Amended) A method as claimed in claim 1, wherein said advertisements are advertisement is updated by the content provider or advertisement sponsor.
- 9. (Canceled)
- 10. (Canceled)
- 11. (Currently Amended) A method as claimed in claim 91, wherein the user is given the option of performing on-line or off-line transactions in response to the advertisements.
- 12. (Previously Presented) A method as claimed in claim 1, further comprising a login process including the steps of:
 - a. determining an identity and location of the user;
 - b. organizing the identity and location information into a suitable information packet; and
 - c. storing the packet in the user's computing device or in computing devices located in the premises of the provider.

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- 13. (Currently Amended) A method as claimed in claim 11, wherein said interface device is a computing device, and further comprising the steps of permitting the user to select whether to accept updating of the user's computing device.
- 14. (Currently Amended) A system of delivering advertising and/or commercials to a user, viewer, or consumer via composite images displayed to the user, viewer, or consumer through a media display device, comprising:

means for displaying a program; and

means for inserting, while said program-are being displayed, an advertisement into a selected portion of the displayed program, said advertisement being displayed in a manner appropriate to the content of the displayed program, wherein said program is an interactive video program, said program having several possible paths, said paths being determined by responses by the user, viewer, or consumer to the program content, and wherein said advertisement is updated based on responses to said program or to a previously inserted advertisement content, said responses to said program content being submitted by the user, viewer, or consumer, via an interface device.

15. (Currently Amended) A system as claimed in claim 25 14, wherein said means for inserting said advertisement comprises means for merging a simulated image into a broadcast program.